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Toronto, January 26, 2010

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, Suite 2700
Toronto, ON M4P 1E4

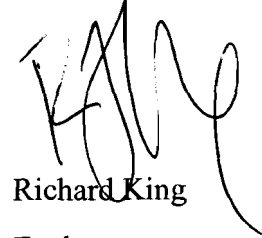
Dear Ms. Walli:

**RE: Interrogatories of APPrO
Enbridge Gas Distribution Inc. 2010 Rates (EB-2009-00172)**

We are counsel to the Association of Power Producers of Ontario ("APPrO"). Please find enclosed APPrO's interrogatories in the above noted proceeding.

Please do not hesitate to contact me should you have any questions or concerns.

Yours very truly,



Richard King

Encl.

RK/mnm

cc: All parties to the above noted proceeding

Enbridge Gas Distribution 2010 Rate Application

Information Requests from APPrO

1. Exhibit B, Tab 3, Schedule 1. Enbridge has requested that a Y factor be established in the amount of \$18.9 million related to the company's pension plan. At paragraph 12, Enbridge notes that this is made up of an estimate from Mercer of \$17.1 million to cover the plan deficit (as at December 31, 2009), plus a further \$1.8 million that is required to be paid into the Pension Benefits Guarantee Fund (PBGF). At paragraph 14, Enbridge notes that the most recent update from Mercer is that the contributions to cover the plan's deficit could drop to \$1.5 million and the premium related to the PBGF is now \$1.5 million.
 - a. Please provide a copy of the Mercer report showing the calculations for the plan deficit as of December 3, 2008, as well as the update.
 - b. Does Enbridge have a more recent estimate of the projected pension deficit as of December 31, 2009 from Mercer, if so please file the report and the estimate
 - c. Enbridge notes in paragraph 12 that the PBGF is \$1.8 million, but that payment has been reduced to \$1.5 million in paragraph 14. Please reconcile these differences and provide a calculation that illustrates the \$1.5 million liability
 - d. Please provide a copy of the appropriate sections of the Act, Regulations or other documents that support the liability of the \$1.5 million in PBGF funding and the calculation referenced in c. above.
 - e. Please provide similar information that supports the requirement to fund the deficit.
 - f. Please explain why the company is asking for a Z factor to fund a deficit amount based on the estimate prepared as of December 31, 2008 that is substantially higher than a more recent estimate, especially in light of the rebound of the financial markets in 2009?
2. Exhibit C Tab 1 Schedule 4, Updated 2010-01-22; refers to Bill 218 which introduced certain tax changes by the Ontario Government. The income and capital tax changes effects have been reflected in the updated evidence as provided for in the Settlement Agreement. Bill 218 also deals with harmonization of the provincial sales tax with the federal goods and services tax effective July 1, 2010. It is understood that those goods and services purchased by the company for the period after July 1, 2010, that had

previously attracted a provincial sales tax, will receive an input tax credit under the HST rules.

- a. Please identify the expected magnitude of the provincial sales tax portion of the HST related to the goods and services that will be purchased after July 1, 2010.
- b. Please explain why Enbridge has not also reduced the revenue requirement by 50% of the input tax credit that will be received for the provincial sales tax portion of the HST as provided for in the Settlement Agreement.